Opening of New branches of Central Cooperative Banks in Andhra Pradesh

1611 . SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to open new branches of the Central Co-perative Bank in Andhra Pradesh; and

(b) if so, the places where these branches are proposed to be opened?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Central Cooperative Banks (CCBs) are under the administrative control of State Government and are governed by the respective Cooperative Legislation of the State. In terms of Section 23(1) (b) of Banking Regulation Act, 1949 (as applicable to Cooperative Societies), the CCBs need not obtain prior permission of Reserve Bank of India for opening of new branches within their area of operation. They are, however, required to approach the Registrar of Co-operative Societies (RCS) of the concerned State for permission to open branches within their area of operation.

Excise Duty on Tyres

1512. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Automotive Tyre Manufacturer's Association (ATMA) have protested against the steen increase in excise duty on automative tyres; and

(b) whether Government will review the increase in the interest of indigenous tyre industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) In their letter dated the 6th March, 1993, the Automotive Tyre Manufacturers' Association have, inter alia, requested reconsideration of excise duty increase on tyres, made in the Budget, 1993.

(b) The specific rates of excise duty applicable to tyres tubes and flaps were revised marginally upwards, by about 10 per cent, with effect from 28.2.1993. There is no proposal, at present, before the Government to revise these rates of duty.

Excise duty on Footwear

1613. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) what amount of revenue Government of India had received during the years 1992-93 and 1991—92 by way of excise duty on footwear; and

(b) what is the objective of Government in keeping exise duty on footwear under chapter 64 of Excise Act?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The amount collected by way of excise duty on footwear, etc. and parts of such articles falling within Chapter 64 of the Central Excise Tariff in 1991-92 was Rs. 26.85 crores and, in 1992-93, it was estimated ot Rs. 37 crores (R.E.).

(b) The obective of levying excise duty on footwear is to collect revenue.

Customs Duty on Ferrous Scrap

1614. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether customs duty was increased by 50 per cent only on one

item i.e. ferrous scrap, in the current year's budget;

(b) whether the Steel Furnace Association of India has protested against this discrimination;

(c) whether a large number of arc and induction furnaces are closing down due to increase cost of inputs; and

(d) what steps Government are taking to provide relief to the secondary steel sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) In the Budget for 1993-94, with effect from 28.2.1993, basic customs duty on steel melting scrap was increased from 10 per cent to 15 per cent ad valorem. The Steel Furnace Association of India has represented against the increase in import duty.

(c) Information about units closing down to increased costs of inputs will be collected and laid on the Table of the House.

(d) To provide some relief to the mini steel plants, customs duty on steel melting scrap has been reduced from 15 per cent to 12.5 per cent with effect from 4th May, 1993.

Permission to Foreign Insurance companies to enter Indian Insurance Sector

1615. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:

Will the Minister of FINANCE be pleased to state:

(a) whether Sun Life Insurance Corporation of U.K. has proposed the setting up of a subsidiary with the Life Insurance Corporation of India;

(b) if so, what are the details thereof;

(c) whether U.S. Insurance Companies have also shown interest in the untapped Indian market in the insurance business;

(d) if so, what are the implications involved with the entry of the foreign insurance companies into the domestic insurance sector; and

(e) what is the decision, if any, taken by Government on the question of allowng foreign competition in the insurance business in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

(e) The Government have appointed a High Powered Committee to recommend reforms in the insurance industry aimed at introducing a more competitive environment subject to suitable regulation and supervision, and submit its report within six months. A view on the question of foreign competition in the insurance business will be taken only after the recommendations of the High Powered Committee become avialable.

नए पूंजी निवेश को प्रोत्साहित करने के उपाय

1616. **श्री ईश दत्त यादव** : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने नए पूंजी निवेश को प्रोत्साहित करने के कोई उपाय किये हैं ;

(ख) यदि हां, तो तत्संबंधी ब्यौरे क्या हैं ; और